

News Release

14th February 2007

SUPERDRUG SENDS GORDON BROWN A VAT-ALINE

- Mission SPF25 (Sun Protection Farce) sees 25 Gordon Brown figures sent across the country to ask for Sun Tax action -

This morning Superdrug has delivered Gordon Brown a VAT-aline. Or rather 25 life size cut out figures of himself. Each has been in a Superdrug this week petitioning customers for signatures to support the retailer's campaign to see the VAT cut from 17.5 to five per cent on children's sun care.

Superdrug wrote to the Chancellor in October asking for his view on the campaign, a letter which was ignored by the Treasury in contravention of the self imposed 20 day rule, Superdrug is still awaiting a response. Today's delivery was to let Mr Brown know that he cannot ignore this burning issue – over 1,000 customers signed the cut outs.

This morning's Vat-aline is the first delivery from Superdrug which the Treasury has accepted. Previous deliveries rejected at the Treasury steps include 10,000 condoms and a giant condom suit. Superdrug wonders what The Chancellor will be doing with the 25 life size clones of himself this Valentine's Day.

The campaign which launched in July 2006, already has the support of over 70 MPs and 3,500 Superdrug customers who have signed an online petition. An epetition on the Number 10 website was also launched this week (<http://petitions.pm.gov.uk/SUNTAXCUT/>).

When there are 70,000 new cases diagnosed and 2,000 people die from melanoma each year this is an issue the Treasury cannot ignore. It is estimated that we receive 80 per cent of our exposure to the sun before the age of 21 meaning that protecting a child's delicate skin is vital in the fight against skin cancer.

Since last summer all baby and children's Solait sun care at Superdrug has been sold VAT free, and this will continue until the government makes a change to the current VAT rules. This has meant a saving of £1.80 on a 400ml bottle of Solait kid's SPF30.

Jeff Wemyss said today: "We have written to Gordon Brown and he has passed our letters on to the Paymaster General, however the response advising children to wrap up well against the sun isn't practicable advice for British parents. We want to know what the Chancellor thinks about the campaign and the fact that sun protection is classed as a luxury at a time when the number of cases of skin cancer in the UK has more than doubled in the last 20 years."

- ends -

For further information please contact:

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Notes to editors:

- **Your readers and listeners can join the campaign by signing up at the Number 10 website; <http://petitions.pm.gov.uk/SUNTAXCUT/>**

THE VAT CONUNDRUM

Since the VAT rules were introduced in the 1970s the definition of essential and luxury items has become increasingly confused. Until today condoms were classed as a luxury item and liable for the full VAT rate, while caviar was classed as essential and is therefore VAT free. Under the rules Britain signed when entering the EU in 1973, the British Government was given a certain amount of flexibility to reduce specific VAT rates to 5 per cent.

Zero VAT rated:

Toffee apples
 Marshmallow teacakes
 chocolate body paint
 Child's swimsuit
 Teen bra 34b
 Dried prunes
 Chocolate chips to decorate cakes
 culinary rosewater
 Horse meat or live animals bred for human consumption)
 Roasted or salted nuts in their shells
 Vegetable oils
 Funeral packages
 Baking powder
 Sandwiches
 Flapjacks
 Beetroot crisps
 Baked Alaska
 Cream gateaux
 Mousse
 Ginger preserved in syrup

VAT charged at 17.5%:

Toothbrushes and dental floss
 Toothpaste
 Shower gel
 Child's sun care
 Maternity bra
 Toilet roll
 Chocolate buttons
 Razors
 Live horses
 Shelled nuts, roasted or salted
 Massage oils
 Coffins
 Bicarbonate of soda
 A sandwich platter
 Cereal bar with honey
 Potato crisps
 Arctic roll
 Ice cream gateaux
 Hair mousse
 Crystallised ginger

- Superdrug is the United Kingdom's most fashion conscious beauty and health retailer with over 750 stores in the UK and Eire
- Superdrug is one of the health & beauty retail brands from the A.S. Watson Group (ASW) family – the world's largest health & beauty retailer and the largest perfumeries & cosmetics retailer. With a history dating back to 1828, ASW has evolved into an international retail and manufacturing business with operations in 34markets worldwide
- A.S. Watson has a network of over 7,100 retail stores globally with store in over 1,800 cities, with over 90,000 employees and serves over 25 million customers a week
- Superdrug has been working with the Institute of Cancer Research on SAFE @ Superdrug, a campaign focused on raising awareness for shoppers and funds for research
- Although cases of child sun cancer are rare, it is accepted that the treatment of the skin while in childhood has a real affect on chances of being diagnosed later in life. In particular, blistering sunburns in childhood and adolescence significantly increase the risk of developing malignant melanoma in adulthood. The use of high factor sun protection from infancy is a vital part of skin cancer prevention.